



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
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**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

November 30, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

35 NOVEMBER 30, 2010

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**FIND CONTRACTOR IN DEFAULT  
BRIDGE SEISMIC RETROFIT  
7TH STREET RAMP ONTO LONG BEACH FREEWAY AT  
METROPOLITAN TRANSPORTATION AUTHORITY PARKING LOT  
CITY OF LONG BEACH  
(SUPERVISORIAL DISTRICT 4)  
(3 VOTES)**

### **SUBJECT**

This action is to find the contractor, KLM Construction, Inc., in default of the contract and authorize the Director of Public Works or her designee to enter into an agreement with the project surety, First National Insurance Company of America, for the completion of the work of this contract.

### **IT IS RECOMMENDED THAT YOUR BOARD:**

Find the contractor, KLM Construction, Inc., in default of the contract and authorize the Director of Public Works or her designee to enter into an agreement with the project surety, First National Insurance Company of America, for the completion of the work of this contract.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On December 16, 2008, the County of Los Angeles Board of Supervisors (Board) advertised and gave authority to the Director of Public Works or her designee to award and execute a contract with the apparent responsible contractor with the lowest responsive bid and approve the Faithful Performance and Labor and Materials Bonds and insurance submitted by the contractor. On January 25, 2009, the Department of Public Works (Public Works) awarded a contract to KLM

Construction, Inc. (KLM) for the seismic strengthening of the 7th Street Ramp Onto Long Beach Freeway at Metropolitan Transportation Authority Parking Lot project. The term of the contract was 70 working days. First National Insurance Company of America furnished the contractually required payment and performance bonds for 100 percent of the contract amount.

On April 28, 2009, KLM started construction on the project and began to perform work. On August 29, 2010, KLM notified Public Works that they were unable to complete the project and voluntarily defaulted. The project is approximately 75 percent complete.

Public Works recommends that your Board find KLM in default of their contract and authorize the Director of Public Works or her designee to enter into an agreement with First National Insurance Company of America for the remaining work that consists of installing column casings, including painting and grouting and backfilling, paving the areas near the columns, and other appurtenant work to complete the project in accordance with the plans and specifications.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1). The recommended actions will provide for completion of the work at no additional cost to Public Works except for minimal administrative expenses.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

There will be minimal fiscal impact as the surety will assume responsibility for completing the work of the contract for the original contract price.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract specifications provide for the termination of the contractor without liability for damage by your Board if your Board finds that the contractor has defaulted.

### **ENVIRONMENTAL DOCUMENTATION**

On April 17, 2007, Agenda Item 43, your Board found this project categorically exempt from the provisions of the California Environmental Quality Act.

### **CONTRACTING PROCESS**

In accordance with the project's performance bond requirements, the surety is obligated to step in and complete the work.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

It is not anticipated the recommended action will have a significant impact on residents or motorists. When the project is completed, it will have a positive impact by providing more reliable bridge infrastructure for the traveling public during and immediately following seismic events.

**CONCLUSION**

Please return one adopted copy of this letter to Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER  
Director

GF:JTS:ma

c: Chief Executive Office  
County Counsel  
Executive Office  
Office of Affirmative Action Compliance